

The State of New Hampshire

Department of Environmental Services

Thomas S. Burack, Commissioner

Celebrating 25 years of protecting New Hampshire's environment.



February 17, 2012

Mr. H. Curtis Spalding, Regional Administrator EPA New England, Region 1 5 Post Office Square - Suite 100 Boston, MA 02109-3912

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OFFICE OF THE REGIONAL ADMINISTRATOR

Dear Mr. Spalding:

As requested by your staff and for the purpose of paperwork reduction, the New Hampshire Department of Environmental Services, Air Resources Division ("NH DES"), withdraws its submittal of a revision to the State Implementation Plan (SIP) pursuant to Section 110 of the Clean Air Act dated February 25, 2008. The revision involved the issuance of an Emissions Reductions Credits (ERCs) Generation Certificate 07FRASER01C, dated February 15, 2008, in accordance with the New Hampshire Code of Administrative Rules, Env-A 3000, *Emissions Reduction Credits Trading Program*, to Fraser N. H. LLC ("Fraser").

While NH DES is withdrawing its submittal, the emissions reductions documented by the certificate remain real, surplus, verifiable, permanent, and enforceable, because they resulted from Fraser's shutdown of the Berlin Mill. Withdrawal of the submittal shall not prevent future use of either these credits, or equivalent credits from upwind sources meeting the contribution test for New Source Review offsets, pursuant to subsection 173(c)(1) of the Act, which reads in part as follows:

"The owner or operator of a new or modified major stationary source may comply with any offset requirement in effect under [Title I Part D of the Act] for increased emissions of any air pollutant only by obtaining emission reductions of such air pollutant from the same source or other sources in the same nonattainment area, except that the State may allow the owner or operator of a source to obtain such emission reductions in another nonattainment area if (A) the other area has an equal or higher nonattainment classification than the area in which the source is located and (B) emissions from such other area contribute to a violation of the NAAQS in the nonattainment area in which the source is located...."

Specifically, NH DES has determined that these credits may be used for offsets for the Berlin Station project. Information on that project is available at http://www.nhsec.nh.gov/2011-01/index.htm. If you have any questions, please contact Joe Fontaine of my staff at (603) 271-6794.

Sincerely,

Robert R. Scott

Director

Air Resources Division

(603) 271-3503 • TDD Access: Relay NH 1-800-735-2964